

From: Knight, Rob (UK - St Albans) <robknight@deloitte.co.uk>
Sent: Thursday, October 15, 2009 2:04 AM
To: Knights, Richard (UK - Cambridge)
Cc: Welham, Lee (UK - Cambridge)
Subject: ACP points

My key points for the pack are:

1) I would like this statement in the pack

"In order for the users to be presented with a balanced view of the Group's financial performance for the quarter, to the extent the Q3 release makes reference to the revenues and costs, appropriate disclosure of size and nature of these transactions must be made. We will work with management to ensure that the wording in the earnings release is appropriate."

2) Development costs. I am exploring with NAA the point on prior qtr capitalisation.

I cannot see how these costs should be capitalised in prior q. In the event that they have been previously expensed then proper treatment is that you should just leave it ie: correcting entry for this Q is Cr capitalised R&D, Dr R&D expense (no prior q impact).

IAS 38 Past expenses not to be recognised as an asset

71 Expenditure on an intangible item that was initially recognised as an expense shall not be recognised as part of the cost of an intangible asset at a later date.

The other alternative is that the prior q is not treated as a separate accounting period, then presumably you would just flow the catch up through in the current quarter as they have done. No correcting entry required no 2340 item.

3) Other debtors \$18m. We should highlight the size and significance of this balance either as a separate point or in the debtors section.

Rob

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

TRIAL EXHIBIT NUMBER 6456

CASE NO. 3:16-cr-00462-CRB

DATE ENTERED 4/5/2018

BY _____
DEPUTY CLERK